

AMERICAN SHORT LINE RAILROAD ASSOCIATION

The Voice of America's Independent Railroads

Moran Bill to Assist Railroads Receives Overwhelming Support in Congress

WASHINGTON, D.C. - Congressman Jerry Moran (R-KS) has received wide-spread support for his legislation to provide a rehabilitation tax credit for Kansas' short line freight railroads. Under the legislation, H.R. 876, short line railroads in Kansas would receive approximately \$22 million a year for five years for track rehabilitation. Moran has secured 248 co-sponsors for the bill. Only 26 bills of the 3,650 currently pending in the House of Representatives have more co-sponsors.

"Kansas has more than 2,000 miles of short line railroad track, which is critical to keeping rural communities and rail customers connected to the national transportation system," said Ed McKechnie, Vice President of Watco Companies, Inc., of Pittsburg, KS, which operates three of the state's short line railroads. "Congressman Moran's legislation is going to help preserve an infrastructure we cannot afford to lose."

Kansas rail customers are the ultimate beneficiaries of Moran's legislation. Charlie Swayze, General Manager of the Farmers Coop Equity Co. in Isabel, KS said, "Rehabilitating local railroad track is essential to the success of our Kansas communities. It keeps transportation costs for farmers and co-ops competitive and allows us to expand the market for Kansas grain. Upgrading short line track will allow small railroad customers to use heavier cars to provide greater transportation cost savings between Kansas and the Gulf of Mexico."

H.R. 876 is the top legislative goal of the American Short Line and Regional Railroad Association (ASLRRA), which represents the country's 550 local railroads. ASLRRA president, Rich Timmons, said the industry is "very fortunate to have Moran's energy and aggressiveness working on its behalf." ASLRRA has been trying for many years to secure federal infrastructure assistance, and Timmons said, "Moran's legislation has gotten us closer to that goal than ever before."

Short line railroad service has been so important to Kansas that many counties have banded together in the Mid States Port Authority to help preserve railroad routes that are operated by a private short line carrier. John Golden of Goodland serves Chairman of the Board of Directors for Mid States and said, "Short line railroads are the veins that carry the lifeblood of Kansas communities. Throughout the history of Kansas, the key to the success of our cities and farmers has been the ability to move our goods to market. If short line railroad infrastructure cannot be upgraded, many communities will lose rail service, and Kansans will face serious problems in transporting their goods to consumers. HR 876 is necessary to preserve and improve freight rail service in Kansas."

As President of AgMark LLC in Beloit, Kan., Jeff Bechard is responsible for 13 grain elevators in north central Kansas served by short lines. Mr. Bechard said, "H.R. 876 is vital to the survival of the short lines that serve us, and we are very pleased that Congressman Moran has taken the lead on this issue. If the rail cannot be upgraded, then we will face narrow margins and lower prices for grain at county elevators."

Moran says his legislation is a "win-win" for small businesses as well as the general public. "Maintaining rail service in our rural communities is important to their economic survival and for creating new opportunities for growth," Moran said.

Moran's legislation has been co-sponsored by all four Kansas Representatives, and its companion bill in the Senate has been co-sponsored by both Kansas Senators.

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